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E.O. 12958: DECL: 04/07/2016 TAGS: <u>PGOV</u> <u>PREL</u> <u>PA</u> <u>VE</u> <u>BO</u>

SUBJECT: PARAGUAY: CATHOLIC CHURCH TAKES ON DUARTE ON

TWO-FRONTS

REF: A. 05 ASUNCION 1436 ¶B. ASUNCION 0348

Classified By: PolOff Sterling D. Tilley, reasons 1.4(b) and (d).

11. (U) SUMMARY: Late last year, the Catholic Church, including leading Bishops, sharply criticized the Duarte Administration, in particular for its handling of the economy, its failure to address persistent poverty and its implication in corruption. Through the early part of the year, the Church reinitiated its criticism of the Duarte Administration, this time criticizing Duarte,s campaign to become the President of the Colorado Party. Duarte's election and brief assumption of the Colorado Party Presidency prompted much protest, including a demonstration on 3/29 by 30,000 to 40,000 in the capital led by Monsignor Fernando Lugo, a controversial Church figure. Lugo has designs on becoming a political figure and the Church is wrangling on how to deal with him. Both the Church and Lugo apparently intend to keep up the pressure on the government, giving vent to much of the public's frustration for Duarte's failure to address adequately the problems of corruption and poverty. End Summary.

Bishops Take On Duarte

12. (SBU) In late 2005, the Catholic Church, mostly in the form of statements issued by the Paraguayan Episcopal Conference (CEP), an influential Conference of Catholic bishops, took a more forceful and formal stance against the leadership of President Duarte. In November 2005, the CEP released a statement criticizing the Administration for failing to address the hunger and poverty in Paraguay and charged that corruption was rampant in the public and private sectors. The bishops complained, in particular, about a lack of transparency in government and described the Judicial branch and the Attorney General's Office as inadequate. President Duarte assumed a defensive posture in response. He maintained that the Bishops lacked empirical evidence for their claims and said that some of their conclusions were based on "misinformation." Duarte also accused those opposed

to his government of being beneficiaries of prior

governments' sins and called on them to confess "without shame". On a more conciliatory note, he said that his Administration has only been in office for two years and changing conditions in Paraguay required more time. VP Castiglioni, a devout Catholic, met with Church leaders in mid-November as part of an effort to stem the rising controversy over critical remarks in the press. (Ref. A)

- 13. (C) In the first part of 2006, the Church reinitiated its criticisms of the Duarte Administration, this time, criticizing Duarte,s campaign to become the President of the Colorado Party. After Duarte's election and brief assumption of the Colorado Party Presidency, he came under attack by opponents within the Colorado Party, opposition parties, and civil society, including the Church for violating the Constitution and, separately, his alleged authoritarian tendencies.
- 14. (SBU) In February, the Ambassador met with Bishop Ignacio Gogorza, the President of the CEP. Gogorza lamented that the government was corrupt to the core and that Duarte had not cleaned up corruption as he had promised the people. The Church was similarly frustrated with the slow progress in reforming government, reducing poverty and producing jobs for the people. In a 4/6 meeting, Pastor Cuquejo, the Archbishop of Asuncion, took up a similar line with the Ambassador alleging that "the President had broken faith with the people and didn't believe in anything but himself." He also said that given the current sentiment in society, he did not believe that Duarte would get the Constitutional changes he seeks for his reelection bid.

March 29 Protest and Lugo

- ¶5. (U) A March 29 demonstration garnered as many as 30,000 40,000 participants including representatives of political parties, labor unions, NGO,s and religious organizations. The participants protested a Supreme Court ruling that opened the door for Duarte to briefly assume the Colorado presidency, and, separately, Duarte's desire for reelection. The marchers called for resignation of the five members of the Supreme Court, who temporarily suspended the Superior Electoral Tribunal ruling that Duarte could not assume the Colorado presidency. Monsignor Fernando Lugo of the Department of San Pedro led this protest and concluded the march with a speech calling on Duarte to apologize to the people of Paraguay. The surprising success of the protest prompted some to suggest that Lugo has a future as a politician in Paraguay, including as a possible candidate for President.
- 16. (C) In his 4/6 meeting with the Ambassador, Archbishop Cuquejo indicated that he did not believe that Lugo had political designs. He also remarked that Lugo could not count on support from the Beloved Fatherland Party (Partido Patria Querida -PPQ), Paraguay's second leading opposition party, whose leader is closely associated with the Catholic Church. Cuquejo further stated that the bishops planned to meet with Lugo to discuss his political aspirations and insist he choose between the Church and politics.
- 17. (U) Lugo routinely highlights his ties to the CEP, associating himself with its criticism of the President and seeking to project Church support for his activities. On 4/21, the executive committee of the CEP met with Lugo. According to reporting in Paraguayan daily, Ultimoa Hora, which favors Lugo, the CEP announced that it had no objections to Lugo,s activities and believed his actions were intended to address the social injustices and poverty. (NOTE: Lugo was forced to resign as Bishop of the San Pedro Department in 2005 because of his association with inciting land invasions by campesinos resulting in violence as well as a rumor that he fathered a child. Also, Maria Edith Debernardi alleged that Lugo was involved with the perpetrators of several high profile kidnappings, including

her own in 2001 and the 2004 Cubas kidnappings orchestrated by the radical leftist group, Patria Libre. Lugo is now associated with a Catholic order but is not directly tied to a particular Archdiocese. End Note.)

- 18. (C) COMMENT: During the March 29 protest, Lugo reined in his rhetoric, carefully tailoring his message to a mostly middle class audience. His leadership of this remarkable march was a surprising and unmitigated success. In the aftermath, a number of commentators have suggested the opposition should coopt him as its leader. Opposition parties are ambivalent about how to deal with him but it is apparent, by definition, Lugo is a political player.
- 19. (C) COMMENT CONTINUED: Post does not agree with Archbishop Cuquejo regarding Lugo's political aspirations. Lugo has been engaged in politics for many years with some suggesting his association with the Church serves as a mere cover for his political ambitions. An avowed leftist, he has credibility and wide support among the campesino organizations and the poor because of his work in the past, including organizing peasants in San Pedro for the last few years. In addition, according to sensitive reporting, Lugo meets regularly with Venezuelan Embassy officials here in Paraguay and has traveled to Venezuela on numerous occasions. Lugo,s strategy, as with Chavez and Morales before him, includes discrediting the current corrupt system and presenting himself as an alternative. (NOTE: The political movement, Resistencia Cuidadana, he helped create on the eve of the 3/29 protest, has risen in stature in a very short period of time and is now leading and planning a May 1 protest intended to keep up the pressure on Duarte. End Note.) End Comment.
- $\P 10$. (SBU) On 4/24, the Ambassador conveyed our concerns to

Monsignor Orlando Antonini, the the chief of the Vatican's diplomatic mission in Paraguay, to relay information about both his personal conduct and political activities and trips. Monsignor Antonini shared our concerns and indicated that he expected the Vatican would call on Lugo to choose between his commitment to the Church and his political aspirations.

Church Plans for 2006

111. (U) Gogorza and Cuquejo claim the Catholic Church will continue to focus on "working on behalf of the population." This includes the reduction of poverty, working with street children, agrarian reform, and education. According to Cuquejo, the Church education program has more than 100 million guarani (16,667 USD) for local scholars. The Ambassador urged Church leaders to engage more in addressing the problem of trafficking in persons but they signaled that this issue does not figure highly in current plans.

COMMENT

112. (U) The Catholic Church reflects and articulates much of the general population's frustration with the government's failure to address adequately corruption and poverty. Its leaders convey every intention of maintaining this more vocal role on these matters for the indefinite future. Duarte's ambivalent relationship with the Church -- born a Catholic, he is now a practicing evangelical Mennonite -- makes it difficult for him to respond forcefully. Of course, the Catholic Church has been speaking with two voices -- one voice being the Bishops associated with the CEP and the other being Lugo. The messages are not necessarily competing but they are not in sync. For its part, the Catholic Church, mostly through the CEP, has been consistently criticizing Duarte and his administration about poverty, corruption, health and education issues. On the other hand, Lugo has taken the criticism a step further by leading a major

demonstration and dealing extensively with the press, implicitly offering himself as an alternative.

113. (C) Lugo has some real skeletons -- personal and political -- in the closet. We have little doubt Lugo would pursue a more prominent political role if the opportunity should present itself. Duarte's supporters may seek to coopt Lugo but have also signaled they are prepared to take off the gloves and attack him should he not relent in his attacks. The opposition agreed to join hands with Lugo in rallying its March demonstration. Its various factions, however, are of a much mixed mind about his future role. They may want to ride his coattails as far as they take them but it is doubtful all would agree to his heading an opposition ticket in 2008. End Comment.